BALOCHISTAN SALES TAX ON SERVICES APPELLATE TRIBUNAL, QUETTA

STA 95/2026

M/S Carawan Enterprises (Private) Limited

Versus

The Commissioner (Operations) & one another, Balochistan Revenue Authority, Quetta

ORDER

Date of hearing: 20.07.2026 Date of order: 21.07.2026

Appellant by: Mr. Muhammad Riaz Ahmed, Adv

Respondent by: Mr. Amin Ullah Khan, Adv

JUSTICE (R) NAZIR AHMED LANGOVE, CHAIRPERSON:

This is an appeal filed by the appellant against the order-in-original dated: 17th February, 2026 passed by the Learned Commissioner (Operations) BRA wherein the appellant has been declared as defaulter of BWWF amounting to RS: 2,650,693/-. Challenged in appeal but dismissed, vide order dated: 25th May, 2026 passed by the Learned Commissioner (Appeals).

2. In previous round, the appellant filed an appeal which was decided by this Tribunal on 06-08-2025. The matter was remanded with certain directions.

3. In compliance, the proceedings commenced afresh, vide, order dated: 17-02-2026 passed by the Learned Commissioner (Operations). Feeling aggrieved the appellant preferred an appeal but met with the same fate, vide, order dated: 25-05-2026 passed by the Learned Commissioner (Appeals), once again assailed before this Tribunal (herein impugned before us). Hence this appeal.

4. Facts in brief are that the appellant M/S Carawan Enterprises (Private) Limited having NTN: 7159890 is an industrial establishment as per clause (h) of Section 2 of the Balochistan Worker's Welfare Fund Act, 2002.

5. As per sub-section 14 of Section 4 of the BWWF Act the respondent's Authority proceed with the matter with respect to recovery of unpaid amount of BWWF and found the appellant liable to pay an amount of RS: 2,945,214/- for the tax period 2022 based on income tax returns; in this context, various notices were issued to the appellant, despite having been served, none appeared. Proceeded with accordingly, vide order dated: 01-01-2024 passed by the Learned Commissioner-II Balochistan Revenue Authority.

6. Assailed in appeal before this Tribunal, which finally was disposed-of and remanded to the Learned Commissioner on 06-08-2025 with the following directions:

> We have gone through the impugned order of the Learned Commissioner. We have also examined the relevant provisions of law and relevant record. It is evident that facts involved are not properly threshed out as the impugned order has been passed on the basis of no compliance by the appellant. Since Counsels for both the sides agree to remanding back of the case for re-adjudication after providing proper opportunity of being heard, therefore, we direct the appellant to appear before the Learned Commissioner BRA and thresh out the facts as per provisions of BWWF Act, 30 days of this order. The Learned Commissioner is directed to ensure proper service of notices, provide sufficient opportunity of being heard to the appellant, examine all the facts and relevant provisions of law and then come up with a judicious and speaking order. The appellant is also directed to participate in re-

adjudication proceedings and assist the Learned Commissioner to come up with a judicious and speaking order.

7. It is mainly contended by the learned counsel for the appellant that once again, despite clear directions, the Learned Commissioner (Operations) failed to provide a fair opportunity of hearing and leading evidence to the appellant which caused miscarriage of justice. He prayed of acceptance of the appeal and remand of the matter to the lower forum for decision on merits after providing a fair opportunity of hearing to the parties.

8. On the other hand, the respondent's learned counsel strongly opposed the appeal with the contention that the order impugned passed by the Learned Commissioner (Operations) and upheld by the Learned Commissioner (Appeals) is based on appreciation of the evidence available on record in the light of relevant provisions of law. He added that proper opportunity of hearing was afforded by issuing a notice U/S 52 (2) of the Act deals with the recovery of the tax not levied or short-levied read with Section 4 of the BWWF Act, properly served as provided U/S 80(1) of the Act. As such, there is no justification for the appellant to approach this Tribunal time and again. At the end, he prayed for dismissal of the Appeal.

9. We have heard the learned counsel for the parties and gone through the record with their assistance reflecting that the appellant is a company provides services relating to LPG (Liquid Petroleum Gas) falls within the ambit of Section 2 Clause (h) wherein the industrial establishment has been defined as under:

> *"(i) any concern owning or managing a factory, workshop or other establishment in which articles are produced, adapted or manufactured with the aid of electrical, mechanical, thermal, nuclear or any other form of energy transmitted mechanically and not generated by human or animal agency;*
>
> *(ii) any concern working in mine or quarry or natural gas or oilfield or power stations or ports;*
>
> *(iii) any concern engaged in the carriage of worker and goods by inland mechanically propelled vessels;*
>
> *(iv) any concern engaged in the growing of tea, coffee; and*

(v) any concern engaged in the Banking or financial Institution except State Bank of Pakistan;

(vi) any concern engaged in telecommunication and power generation;

(vii) any other concern or establishment which Government, may by notification in the official Gazette, declare to be an industrial establishment for the purposes of this Act but does not include any concern or establishment which is owned by Government or by a corporation established by Government or where majority of its shares are owned by Government.

[1][(viii) any establishment to which the Balochistan Shops and Establishments Act 2021 (Act No. XVII of 2021) applies]"

10. A bare reading of the Section above indicates that the appellant's case squarely falls within the domain of industrial establishment, therefore, is under legal obligation to make payment of Balochistan Worker's Welfare Fund @ 2% specifically fixed for welfare of labors prescribed U/S 3 of the BWWF Act with the following language:

"(a) an initial contribution to be made by the Government as and when deemed appropriate or required;

(b) the share of all assets and funds received from the Worker's Welfare Fund as transferred by the Federal Government;

(c) such money as may, from time to time, be paid by the establishments under section 4 and 5 of the Act;

(d) the amount transferred to the Fund from time to time under proviso 1 and proviso 2 to clause (d) of paragraph 4 of the scheme set out in the Schedule to the Balochistan Companies Profits (Workers Participation) Act, 2022 or clause (d) of paragraph 4 of the scheme set out in the Schedule to the Companies Profits (Workers Participation) Act, 1968 (Act No. XII of 1968);

(e) voluntary contributions in the shape of money or building, land or other assets made to it from time to time by Federal Government, Provincial Government, local body or corporation established under law, or by any person, charitable institutions of philanthropists;

(f) income from the investments made and properties and assets acquired from out of the Fund; and

(g) proceeds of loans raised by the Governing Body with the approval of the Government.

(h) all assets transferred and devolved by the Federal Government."

11. So far as the definition of "Worker" is concerned as per Section 2 (n) shall have the same meanings as assigned to it in Section 2 of the Balochistan Industrial Relations Act, 2010 and includes any person not falling within the definition of an employer who is employed in an industrial establishment or industry for hire or reward either directly or through a contractor whether the terms of employment be expressed or implied, and for the purpose of any proceedings under this Act in relation to an industrial dispute includes a person who has been dismissed, discharged, retrenched, laid-off or otherwise removed from employment in connection with or as a consequence of that dispute or whose dismissal, discharge, retrenchment, lay-off, or removal has led to that dispute. However, an employee mainly deputed in a managerial or administrative capacity is excluded; which in our considered opinion is not the appellant's case.

12. We know that Section 52 of the Act dealing with the recovery of the tax not levied or short-levied with the requisite requirement provided under Section U/S 52 (3) of the Act wherein the officer concerned is legally bound to consider the objections of the person served with a notice, however, in case of receiving no objections/reply within the stipulated period. He shall determine the amount of tax or charge payable which was done accordingly. Similarly, Section 4 of the BWWF Act prescribes the mode of payment by, and recovery from establishments with the relevant sub-section 14 wherein it has been mentioned that if an establishment or industrial establishment fails to make payment under this Section, the amount

payable shall be recovered by the Authority in the manner prescribed under the law of the Balochistan Revenue Authority including but not limited to the Balochistan Sales Tax on Services and Rules and Regulations or procedures made there under and be deposited for the fund in the head of account as notified by the finance department, Government of Balochistan, immediately after defraying all the expenses, to the Authority to the extent and in manner as may be prescribed by the Authority.

13. Thus, no room left to doubt that either the Authority or lower fora did not adopt due course and procedure or violated the appellant's fundamental rights guaranteed and protected by the Constitution or no proper notice provided U/S 80 (1) of the Act was issued or served upon the appellant or condemned unheard.

14. In previous round, the matter was remanded to the lower forum with the directions to afford a fair and proper opportunity of being heard to the appellant which according to the appellant's learned counsel was not complied with, in letter and spirit; when this aspect of the matter was confronted, the appellant's learned counsel could not place any documentary evidence regarding service of notice upon the appellant.

15. Legally, the appellant is under obligation to make payment of Worker's Welfare Fund due against him, reportedly based on valid and undeniable documents/tax returns which as stated above is purely meant for welfare of the workers, a poor and vulnerable segment of society, depriving them of their basic and legal right would be improper, unjust and against the law.

16. The Learned Commissioner (Operations) is directed to issue fresh notices to the parties including the appellant, ensuring the service of notice provided U/S 80(1) of the Act upon the appellant including the mode of service and date of acknowledgment etc. so as to avoid ex-parte orders and decision on merit after providing a fair opportunity of being heard to the parties because of their undeniable and fundamental right protected by the Constitution of Islamic Republic of Pakistan, 1973 under Article 10A of the Constitution.

17. Similarly, the appellant is strictly directed to remain vigilant and participate in the proceedings positively for the simple reason that the matter cannot be kept pending indefinitely.

18. The appeal stands disposed-of and remanded to the Learned Commissioner (Operations) with the directions to dispose-of the same purely on merits within a shortest possible period but not more than one month without being influenced of the earlier orders and observations, if any.

19. Orders accordingly.

__SD__

Chairman

__SD__

Member

Dated: 21st July, 2026.